

LEGISLATURE OF THE STATE OF IDAHO
Sixty-first Legislature First Regular Session - 2011

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 77

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

RELATING TO THE INDUSTRIAL COMMISSION; AMENDING SECTION 72-523, IDAHO CODE,
TO REVISE PROVISIONS RELATING TO THE DEDUCTION OF A CERTAIN PREMIUM TAX
AND TO PROVIDE THE COMMISSIONERS OF THE INDUSTRIAL COMMISSION WITH THE
AUTHORITY TO WAIVE A CERTAIN PREMIUM TAX.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 72-523, Idaho Code, be, and the same is hereby
amended to read as follows:

72-523. SOURCE OF FUND -- PREMIUM TAX. The state insurance fund, every authorized self-insurer and every surety authorized under the Idaho insurance code or by the director of the department of insurance to transact worker's compensation insurance in Idaho, in addition to all other payments required by statute, shall semiannually, within thirty (30) days after February 1 and July 1 of each year, pay into the state treasury to be deposited in the industrial administration fund a premium tax as follows:

(1) Commencing July 1, 1993, every surety, other than self-insurers authorized to transact worker's compensation insurance, a sum equal to two and one-half percent (2.5%) of the net premiums written by each respectively on worker's compensation insurance in this state during the preceding six (6) months' period, but in no case less than seventy-five dollars (\$75.00); and

(2) Each self-insurer, a sum equal to two and one-half percent (2.5%) of the amount of premium such employer who is a self-insurer would be required to pay as premium to the state insurance fund, but in no case less than seventy-five dollars (\$75.00).

(3) Any insurer making any payment into the industrial administration fund under the provisions of subsection (1) of this section shall be entitled to deduct ~~one and three-tenths~~ fifty percent (50%) of the ~~net premiums written as computed above~~ premium tax paid pursuant to this section from any sum that it is required to pay into the department of insurance as a tax on worker's compensation premiums.

(4) In arriving at net premiums written, dividends paid, declared or payable shall not be deducted.

(5) For the purposes of this section and section 72-524, Idaho Code, net premiums written shall mean the amount of gross direct premiums written, less returned premiums and premiums on policies not taken.

(6) Notwithstanding the requirement to pay a premium tax pursuant to the provisions of subsections (1) and (2) of this section, when in their sole discretion the commissioners of the industrial commission determine that the current balance of the industrial administration fund is sufficient to fully fund the operations of the industrial commission, the commissioners may waive, in whole or in part, the premium tax due to be paid into the state

- 1 treasury for deposit in the industrial administration fund by all insurers
2 and self-insurers in the calendar year following such determination.